STATE OF CALIFORNIA EDMUND G. BROWN JR., Governor

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

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November 1, 2016

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Ratesetting

TO PARTIES OF RECORD IN RULEMAKING 15-02-012

This is the proposed decision of Administrative Law Judge Stephen C. Roscow. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's December 1, 2016 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

/s/ DARWIN E. FARRAR for
Karen V. Clopton, Chief
Administrative Law Judge

KVC:ek4
Attachment

Decision **PROPOSED DECISION OF ALJ ROSCOW** (Mailed 11/1/2016)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Consider the Annual Revenue Requirement Determination of the California Department of Water Resources and Related Issues.	Rulemaking 15-02-012 (Filed February 12, 2015)

DECISION ALLOCATING THE FINAL REVISED 2017 REVENUE REQUIREMENT DETERMINATION OF THE CALIFORNIA DEPARTMENT OF WATER RESOURCES

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DECISION ALLOCATING THE FINAL REVISED 2017 REVENUE REQUIREMENT DETERMINATION OF THE CALIFORNIA DEPARTMENT OF WATER RESOURCES

Summary

In accordance with the Rate Agreement between the California Department of Water Resources (DWR) and the California Public Utilities Commission, this decision allocates DWR's final revised 2017 bond charge-related revenue requirement of $887 million to the electric customers in the service territories of Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company. The allocation results in the electric customers of all three utilities paying $0.00549 per kilowatt-hour for DWR's recovery of bond charges.

1. Background

Since the 2000-2001 energy crisis in California, the California Department of Water Resources (DWR or the Department) has purchased power, entered into long-term contracts, and engaged in bond financing activity in order to meet a portion of the power supply needs of retail end use electric customers in the state. Pursuant to statute, the Commission's obligation is to calculate, revise, and impose corresponding DWR Bond Charges and Power Charges that collect these costs from the electric customers of Pacific Gas and Electric Company (PG&E), San Diego Gas & Electric Company (SDG&E), and Southern California Edison Company (SCE).[1] This obligation is contained in the Rate Agreement between

[1] PG&E, SDG&E, and SCE are identified jointly as "Investor-Owned Utilities" or "IOUs" throughout this decision.

the Commission and DWR that was adopted by the Commission in Decision (D.) 02-02-051, and Water Code §§ 80110 and 80134.

The Department submitted its 2017 revenue requirement determination to the California Public Utilities Commission (Commission) on August 4, 2016. This submission consisted of the "Determination of Revenue Requirements for the Period January 1, 2017 Through December 31, 2017" (August Determination), the "Notice of Determination of Revenue Requirements" (August Notice), and a memorandum from John Pacheco of DWR to Commission President Michael Picker. The memorandum notified the Commission of DWR's 2017 revenue requirement determination, and requested "that the Commission calculate, revise and impose Bond Charges in accordance with Article V of the Rate Agreement…"[2]

DWR further informed the Commission that it ceased purchasing power for sale to customers in the IOUs' service areas in 2015; for this reason, the imposition of a Power Charge for 2017 is not required. Additionally, at this time there are no excess amounts in DWR's Power Charge Accounts that could be allocated back to ratepayers in the IOU service areas. DWR states that any future excess amounts in the Power Charge Accounts will be included in subsequent revenue requirement filings.

On September 28, 2016, the Commission held a prehearing conference (PHC) to discuss the scope and schedule of this proceeding. At the PHC, DWR informed the assigned Administrative Law Judge (ALJ) that it was planning to

[2] The term "Bond Charge" is defined in Article I of the Rate Agreement that was adopted in D.02-02-051.

submit a revised 2017 revenue requirement determination to the Commission no later than October 21, 2016. Following the PHC the assigned Commissioner issued a Scoping Memo that determined the schedule that would be followed to process DWR's 2017 revenue requirement determination. The Scoping Memo also determined that this proceeding would address a cost recovery issue specific to SDG&E, as explained below.

On October 21, 2016, DWR submitted its final revised 2017 revenue requirement determination to the Commission. According to DWR, it revised its August 4, 2016 Determination by: (1) updating actual Electric Power Fund Operating and Bond Account operating results through September 30, 2016, and (2) updating financing assumptions regarding its 2016 P Series Power Bond Refunding, which resulted in annual cash flow savings of $12 million. As a result of these revisions, DWR has reduced the Bond Account Revenue Requirement initially provided in the August Determination by $11 million. DWR now determines that its 2017 cash basis Bond Charge Account revenue requirement is $887 million.

Finally, DWR states that it may continue to revise its revenue requirement for the 2017 Revenue Requirement Period given the potential for refinancing the Department's Power Bonds, receipt of settlements from any legal proceedings involving the Department[3] and any other events that may materially affect the realized or projected financial performance of the Power Charge Accounts or the

[3] For example, DWR is a participant, along with other California Parties, in the Federal Energy Regulatory Commission Refund Proceedings associated with the energy crisis in California in 2000 and 2001. When DWR receives amounts associated with settlements it will notify the Commission and support its allocation of any excess amounts that can be returned to ratepayers in the IOU service areas.

Bond Charge Accounts. In such event, the Department will inform the Commission of these material changes and will revise its revenue requirement accordingly.

2. Allocation of the Final Revised 2017 Bond Charge Revenue Requirement Determination

As noted, DWR issued its final revised 2017 Revenue Requirement on October 21, 2016. Pursuant to the Scoping Memo, comments from parties were due on October 28, 2016. No comments were received.

DWR requests that the Commission calculate, revise and impose the Bond Charge on the electric customers of the three utilities so as to satisfy the Rate Covenant in Article V of the Rate Agreement between DWR and the Commission. The Bond Charge is designed to recover DWR's costs associated with its bond financing activities from those customers. In D.02-10-063, the Commission adopted a methodology for establishing a charge to repay DWR's bond-related costs. The adopted methodology applies a per kilowatt-hour (kWh) charge on all consumption that is not specifically excluded from this surcharge.

DWR's final revised 2017 revenue requirement determination contains the information needed to recover its 2017 bond charge revenue requirement from the utilities' electric customers for calendar year 2017.[4] DWR's final revised 2017 revenue requirement determination states that its cash basis revenue requirement for 2017 is $887 million in Bond Charges. DWR's modeling in support of its final determination indicates that a Bond Charge of $0.00549/kWh

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[4] The final revised 2017 revenue requirement determination is based on the assumptions contained in Section D of DWR's determination. DWR states that it considered a number of assumptions, including retail customer load, administrative and general expenses, and other considerations affecting DWR's revenues and expenses.

is required to collect that $887 million. We adopt DWR's requested 2017 Bond Charge, and the Bond Charge rate of $0.00549/kWh shall be allocated to the electric customers of PG&E, SCE, and SDG&E.

3. SDG&E Accounts Receivable

The Scoping Memo determined that the scope of this proceeding shall include the question of whether the Commission should find that SDG&E should recover approximately $6.1 million which it believes was incorrectly treated in the 2014 DWR Revenue Requirement proceeding as proceeds owed to SDG&E's customers, when those proceeds should have been treated as an offset to an accounts receivable due to SDG&E from its customers; and, if so, whether the Commission should authorize SDG&E's proposed correction to this item: that the $6.1 million be offset against any available Power Charge credits that would otherwise be provided to SDG&E customers.

SDG&E explains that the issue concerns Power Charge Indifference Adjustment (PCIA) revenues that SDG&E collected from customers and remitted to DWR in 2011. Under Commission rules, "departing load" customers are responsible for paying their share of above-market cost obligations that would otherwise be incurred by bundled service customers of the utilities. Part of that payment takes the form of the PCIA, which is intended to recover departing customers' share of the costs of potentially stranded resources. In D.11-12-018 the Commission adopted a revised method to calculate departing load charges so that they reflect both the cost and the value of required RPS-compliant power purchases.[5] This in turn made it necessary for SDG&E to revise the calculation of

[5] Rulemaking 07-05-025, D.11-12-018, "Decision Adopting Direct Access Reforms".

these charges that had been implemented at the beginning of 2011; in Resolution E-4475 the Commission ordered SDG&E to file revised tariffs showing departing load charges for 2011 that are compliant with the methods adopted in D.11-12-018. Once the new method was adopted, customers who had been paying departing load charges throughout 2011 were due a refund of their over-payments of those charges, because the revised charges were lower.

SDG&E explains that the issue before us today originated when SDG&E issued billing adjustments retroactive to April 2011 to certain Direct Access (DA) customers, in order to account for the reduced level of the revised 2011 PCIA. However, SDG&E had already remitted the original PCIA revenues to DWR based on the original (higher) amounts billed to, and collected from, those customers. The difference between the original payments to DWR and the revised amount of PCIA payments is $6.1 million.

Next, as is routinely done during DWR's annual revenue requirement determination, SDG&E's $6.1 million PCIA overpayment to DWR was tracked by DWR and used to reduce SDG&E's applicable 2014 DWR Revenue Requirement. In short, SDG&E's bundled customers received the benefit of the overpayment because their 2014 obligation to DWR was reduced by the $6.1 million that had actually been paid by DA customers. This left SDG&E itself short the same $6.1 million, which it had long since refunded to DA customers as instructed by the Commission.

SDG&E concludes this history by stating that since SDG&E has not received the $6.1 million,

> an account receivable remains due to SDG&E. Therefore, the $6.1 million credit erroneously given to SDG&E's customers needs to be

recovered, and SDG&E seeks the Commission's authorization in this proceeding to do so.[6]

To resolve this matter, SDG&E proposes and seeks Commission approval to first use any remaining 2016 "power charge credits" to offset the $6.1 million shortfall. "Power charge credits" accrue in SDG&E's accounts due to variances in actual versus forecasted sales. On October 13, 2016, SDG&E filed and served updated information in this proceeding indicating that it is currently forecasting $5.6 million in 2016 power charge credits.[7] In accordance with the "Agreement Regarding Procedures Applicable to the Return of Net Negative DWR Power Charge Revenue Requirements" approved in D.13-01-037, any under- or over-collection will be transferred from SDG&E's "Net Accounts Receivable – DWR" account to SDG&E's Energy Resource Recovery Account in order to be included in SDG&E's commodity rates.

To summarize, SDG&E proposes and seeks Commission approval to first use any remaining 2016 power charge credits to offset the $6.1 million accounts receivable shortfall. For any residual balance, such as the approximately $500,000 that would exist at this time, SDG&E seeks a further finding that the sum would be recovered if the future Power Charge balance accommodates it "or in some other appropriate way."[8]

We have reviewed the circumstances described by SDG&E, and we find SDG&E's proposed solution to be reasonable. SDG&E shall use any remaining 2016 power charge credits to offset the $6.1 million shortfall it has identified.

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[6] SDG&E, September 21, 2016 Prehearing Conference Statement at 2-3.

[7] October 13, 2016, Updated Response of San Diego Gas and Electric Company, Attachment C.

[8] SDG&E, September 21, 2016 Prehearing Conference Statement at 2-3.

SDG&E shall recover any residual balance in the same manner if the future Power Charge balance accommodates it. In the event that this approach to any residual balance proves impractical or otherwise problematic, SDG&E should make a specific alternative proposal in this proceeding when we allocate DWR's 2018 revenue requirement.

4. Rehearing and Judicial Review

This decision construes, applies, implements, and interprets the provisions of Assembly Bill (AB) 1X (Chapter 4 of the Statutes of 2001-2002 First Extraordinary Session), and relates to the implementation of DWR's revenue requirement and the establishment and implementation of the Bond Charge and Power Charges necessary to recover that revenue requirement. Therefore, pursuant to Public Utilities (Pub. Util.) Code Section 1731(c), any application for rehearing of this decision is due within 10 days after the date of issuance of this decision. The procedures contained in Pub. Util. Code § 1768 apply to the judicial review of a Commission order or decision that interprets, implements, or applies the provisions of AB 1X.

5. Comments on the Proposed Decision

The proposed decision of the ALJ in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on _________ by ___________. Reply comments were filed on _________ by ___________.

5. Assignment of Proceeding

Michel Peter Florio is the assigned Commissioner, and Stephen C. Roscow is the assigned ALJ in this proceeding.

Findings of Fact

1. DWR submitted its 2017 revenue requirement determination to the Commission on August 4, 2016.

2. DWR's final revised 2017 revenue requirement determination was submitted to the Commission on October 23, 2016.

3. In its October 23, 2016 final revised 2017 revenue requirement determination, DWR reduced the Bond Account Revenue Requirement initially provided in the August 4, 2016 determination by $11 million.

4. The Bond Charge is designed to recover DWR's costs associated with its bond financing activities.

5. DWR's final revised 2017 revenue requirement determination contains the information needed to determine the revenue requirement allocated to utility electric customers for calendar year 2017.

6. DWR's final revised 2017 revenue requirement for bond-related costs is $887 million, which results in a Bond Charge of $0.00549 per kWh.

7. An account receivable dating to the 2014 DWR Revenue Requirement proceeding remains due to SDG&E, consisting of $6.1 million erroneously credited to SDG&E's customers, instead of to SDG&E.

Conclusions of Law

1. The Commission is obligated to calculate, revise, and impose the Bond Charge on the electric customers of PG&E, SCE, and SDG&E.

2. DWR's requested 2017 Bond Charge of $887 million ($0.00549 per kWh) should be adopted and allocated to the electric customers of PG&E, SCE, and SDG&E, as ordered herein.

3. SDG&E should use any remaining 2016 power charge credits to offset the $6.1 million shortfall it has identified. SDG&E should recover any residual balance if the future Power Charge balance accommodates it.

4. This decision construes, applies, implements, and interprets the provisions of AB 1X, and relates to the implementation of DWR's revenue requirement and the establishment and implementation of the Bond Charge and Power Charges necessary to recover that revenue requirement.

5. Pub. Util. Code § 1731(c) (applications for rehearing are due within 10 days after the date of issuance of this order) and Pub. Util. Code § 1768 (procedures applicable to judicial review) are applicable to this decision.

O R D E R

IT IS ORDERED that:

1. The California Department of Water Resources' final revised 2017 revenue requirement determination of $887 million is adopted and allocated to the electric customers of Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company, as shown in Appendix A of this decision.

2. The 2017 Bond Charge allocated to the electric customers of Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company is set at $0.00549 per kilowatt-hour, and shall go into effect on January 1, 2017.

3. San Diego Gas & Electric Company (SDG&E) shall use any remaining 2016 power charge credits to offset the $6.1 million shortfall it has identified. SDG&E shall recover any residual balance if the future Power Charge balance accommodates it.

4. Public Utilities Code Section 1731(c) (applications for rehearing are due within 10 days after the date of issuance of the order or decision) and Public Utilities Code Section 1768 (procedures applicable to judicial review) are applicable to this decision.

5. Rulemaking 15-02-012 remains open.

This order is effective today.

Dated ____________________, at San Francisco, California.

APPENDIX A

Allocation of 2017 Revenue Requirement Among Utilities

Allocation of 2017 Revenue Requirement Among Utilities
California Department of Water Resources
(Dollars in millions, unless otherwise noted)

Line	Description	PG&E	SCE	SDG&E	Total	Reference
1	Allocation Percentages	42.20%	47.50%	10.30%	100.00%	Decision 05-06-060
2						
3	2004-2015 Expenses	12,171	15,130	4,595	31,897	Actuals
4	2004-2015 Revenues	11,705	13,968	4,632	30,306	Actuals
5	Amount to be collected from /(returned to) the IOU USBA	$ 466	$ 1,162	$ (37)	$ 1,591	Line 3 - Line 4
6						
7	2016 Expenses	1	1	0	2	actuals through Sep-16 then projected
8	2016 Revenues	(38)	(16)	(3)	(57)	actuals through Sep-16 then projected
9	Amount to be collected from /(returned to) the IOU USBA	$ 39	$ 17	$ 4	$ 59	Line 7 - Line 8
10						
11	**Balancing Calculation**					
12	December 31, 2016 Projected PCA Balance: Desired Allocation	4	5	1	10	
13	January 1, 2004 Starting PCA Balance: Desired Allocation	701	789	171	1,660	
14	Amount to be collected from /(returned to) the IOU USBA	$ (696)	$ (784)	$ (170)	$ (1,650)	Line 12 - Line 13
15						
16	Fixed Transfer Payments Through 2015	192	(395)	204	-	
17	2004-2016 True-up	505	1,179	(34)	1,650	Line 5 + Line 9
18	Starting and Ending balance True-up	(696)	(784)	(170)	(1,650)	Line 14
19	Cumulative True-up to be collected from/(returned to) IOU USBA	$ 0.44	$ (0.36)	$ (0.02)	$ 0.06	Subtotal

California Department of Water Resources
2017 Revenue Requirement Filing
(Dollars in millions)

		2017 RR Filing (actuals through Sep-16)			
Line	**Description**	**PG&E**	**SCE**	**SDG&E**	**Total**
1	**Beginning Balance in Power Charge Accounts**				**10**
2					
3	Power Charge Revenues				
4	Power Charge Accounts Operating Revenues	-	-	-	-
5	Power Charge Revenues from Direct Access Customers	-	-	-	-
6	**Total Power Charge Revenues**	-	-	-	-
7	IOU Specific Revenue				
8	Surplus (Off-System Sales) Revenue	-	-	-	-
9	Return of Exces Cash	-	-	-	-
10	Avoidable Revenues	-	-	-	-
11	ISO Reimbursement	-	-	-	-
12	Non-IOU Specific Revenue				
13	(Non-IOU Specific Revenue % Allocator)	42.2%	47.5%	10.3%	100.0%
14	Return of Exces Cash (per fixed percentages)	-	-	-	-
15	Extraordinary Receipts (see breakout below)	-	-	-	-
16	Non-Avoidable Revenue	-	-	-	-
17	**Total Non-IOU Specific Revenue**	-	-	-	-
18	**Subtotal**	-	-	-	-
19	Interest Earnings on Fund Balances	0	0	0	0
20	**Total Power Charge Accounts Operating Revenues**	**0**	**0**	**0**	**0**
21					
22	Power Costs				
23	*Non-Avoidable % Allocator*	*42.2%*	*47.5%*	*10.3%*	*100.0%*
24	Non Avoidable Costs	-	-	-	-
25	Williams Gas Adjustment - projected for remainder of year	-	-	-	-
26	Net Non Avoidable Costs	-	-	-	-
27	Avoidable Costs	-	-	-	-
28	Total Contract Costs	-	-	-	-
29	Other Non-Allocated Costs	-	-	-	-
30	**Total Power Costs**	-	-	-	-
31					
32	Gas Collateral Costs	-	-	-	-
33	Administrative and General Expenses	-	-	-	-
34	**Total Power Charge Accounts Operating Expenses**	-	-	-	-
35					
36	Net Operating Revenues	0	0	0	0
37					
38	**Ending Aggregate Balance in Power Charge Accounts**				**$ 10**

California Department of Water Resources
2016 Revenue Requirement Filing
(Dollars in millions)

		2016 RR Filing				2016 RR Filing (actuals through Sep-16)			
Line	**Description**	**PG&E**	**SCE**	**SDG&E**	**Total**	**PG&E**	**SCE**	**SDG&E**	**Total**
1	**Beginning Balance in Power Charge Accounts**								**69.2408**
2									
3	Power Charge Revenues								
4	Power Charge Accounts Operating Revenues	-	-	-	-	-	0	0	0
5	Power Charge Revenues from Direct Access Customers	-	-	-	-	-	0	-	0
6	**Total Power Charge Revenues**	**-**	**-**	**-**	**-**	**-**	**0**	**0**	**0**
7	IOU Specific Revenue								
8	Surplus (Off-System Sales) Revenue	-	-	-	-	-	-	-	-
9	Return of Exces Cash	-	-	-	-	(38)	(16)	(4)	(58)
10	Avoidable Revenues	-	-	-	-	0	-	-	0
11	ISO Reimbursement	-	-	-	-	-	-	-	-
12	Non-IOU Specific Revenue								
13	(Non-IOU Specific Revenue % Allocator)	*42.20%*	*47.50%*	*10.30%*	*100.00%*	*42.20%*	*47.50%*	*10.30%*	*100.00%*
14	Return of Exces Cash (per fixed percentages)	(24)	(27)	(6)	(58)	-	-	-	-
15	Extraordinary Receipts (see breakout below)	-	-	-	-	-	-	-	-
16	Non-Avoidable Revenue	-	-	-	-	0	-	-	0
17	**Total Non-IOU Specific Revenue**	**(24)**	**(27)**	**(6)**	**(58)**	**0**	**-**	**-**	**0**
18	**Subtotal**	**(24)**	**(27)**	**(6)**	**(58)**	**(38)**	**(16)**	**(4)**	**(58)**
19	Interest Earnings on Fund Balances	-	-	-	0	0	0	0	0
20	**Total Power Charge Accounts Operating Revenues**	**(24)**	**(27)**	**(6)**	**(58)**	**(38)**	**(16)**	**(3)**	**(57)**
21									
22	Power Costs								
23	*Non-Avoidable % Allocator*	*42.20%*	*47.50%*	*10.30%*	*100.00%*	*42.20%*	*47.50%*	*10.30%*	*100.00%*
24	Non Avoidable Costs	-	-	-	-	-	-	-	-
25	Williams Gas Adjustment - projected for remainder of year	-	-	-	-	-	-	-	-
26	Net Non Avoidable Costs	-	-	-	-	-	-	-	-
27	Avoidable Costs	-	-	-	-	0	-	-	0
28	Total Contract Costs	-	-	-	-	0	-	-	0
29	Other Non-Allocated Costs	-	-	-	-	1	1	0	2
30	**Total Power Costs**	**-**	**-**	**-**	**-**	**1**	**1**	**0**	**2**
31									
32	Gas Collateral Costs	-	-	-	-	-	-	-	-
33	Administrative and General Expenses	-	-	-	-	-	-	-	-
34	**Total Power Charge Accounts Operating Expenses**	**-**	**-**	**-**	**-**	**1**	**1**	**0**	**2**
35									
36	Net Operating Revenues	(24)	(27)	(6)	(58)	(39)	(17)	(4)	(59)
37									
38	**Ending Aggregate Balance in Power Charge Accounts**				**(58)**				**10**

California Department of Water Resources
2015 Revenue Requirement Filing
(Dollars in millions)

Line	Description	2015 RR Filing PG&E	2015 RR Filing SCE	2015 RR Filing SDG&E	2015 RR Filing Total	2015 Actuals PG&E	2015 Actuals SCE	2015 Actuals SDG&E	2015 Actuals Total
1	**Beginning Balance in Power Charge Accounts**				333				**349**
2									
3	Power Charge Revenues								
4	Power Charge Accounts Operating Revenues	2	-	-	2	-	0	0	0
5	Power Charge Revenues from Direct Access Customers	-	-	-	-	-	0	0	0
6	**Total Power Charge Revenues**	**2**	**-**	**-**	**2**	**-**	**0**	**0**	**0**
7	IOU Specific Revenue								
8	Surplus (Off-System Sales) Revenue	-	-	-	-	-	-	-	-
9	Return of Exces Cash	-	-	-	-	(130)	(126)	(42)	(298)
10	Avoidable Revenues	-	-	-	-	1	-	-	1
11	ISO Reimbursement	-	-	-	-	-	-	-	-
12	Non-IOU Specific Revenue								
13	(Non-IOU Specific Revenue % Allocator)	*42.20%*	*47.50%*	*10.30%*	*100.00%*	0	47.5%	10.3%	100.0%
14	Return of Exces Cash (per straight percentages)	(124)	(140)	(30)	(294)	-	-	-	-
15	Extraordinary Receipts (see breakout below)	-	-	-	-	10	11	2	23
16	Non-Avoidable Revenue	-	-	-	-	0	-	-	0
17	**Total Non-IOU Specific Revenue**	**(124)**	**(140)**	**(30)**	**(294)**	**10**	**11**	**2**	**23**
18	**Subtotal**	**(124)**	**(140)**	**(30)**	**(294)**	**(119)**	**(115)**	**(39)**	**(274)**
19	Interest Earnings on Fund Balances	0	0	0	1	0	0	0	1
20	**Total Power Charge Accounts Operating Revenues**	**(122)**	**(139)**	**(30)**	**(292)**	**(119)**	**(115)**	**(39)**	**(273)**
21									
22	Power Costs								
23	*Non-Avoidable % Allocator*	*42.20%*	*47.50%*	*10.30%*	*100.00%*	*42.2%*	*47.5%*	*10.3%*	*100.0%*
24	Non Avoidable Costs	4	-	-	4	(6)	0	0	(6)
25	Williams Gas Adjustment - projected for remainder of year	-	-	-	-	-	-	-	-
26	Net Non Avoidable Costs	4	-	-	4	(6)	0	0	(6)
27	Avoidable Costs	2	-	-	2	1	-	-	1
28	Total Contract Costs	5	-	-	5	(5)	0	0	(5)
29	Other Non-Allocated Costs	-	-	-	-	0	1	0	1
30	**Total Power Costs**	**5**	**-**	**-**	**5**	**(4)**	**1**	**0**	**(3)**
31									
32	Gas Collateral Costs	-	-	-	-	(0)	(0)	-	(0)
33	Administrative and General Expenses	6	7	2	15	4	5	1	10
34	**Total Power Charge Accounts Operating Expenses**	**12**	**7**	**2**	**20**	**0**	**6**	**1**	**7**
35									
36	Net Operating Revenues	(134)	(146)	(32)	(312)	(119)	(120)	(40)	(280)
37									
38	**Ending Aggregate Balance in Power Charge Accounts**				**21**				**$ 69**

2015 Extraordinary Receipts Breakout		
Date	Counterparty	Amount
06/05/15	Transalta Energy Marketing	23
	balance adjustment	0.1
		23

(END OF APPENDIX A)